(c) the amount proposed to be provided during the year 2004-05 for the above Centre; and

(d) the activities of the proposed Centre?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) Government has approved the National Institute of Design's scheme for setting up of a Research & Development Centre at Bangalore at an estimated cost of Rs 4.80 crore. The scheme is to be funded through the Department of Industrial Policy and Promotion and Department of Information Technology, besides by contributions of industries seeking design support of NID.

(b) NID has been allotted land in the Central Manufacturing Technology Institute, Bangalore (CMTI) campus for construction of the R&D Centre.

(c) During the current year, Department of IPP has provided Rs. 50 lakhs for the Centre. Department of Information Technology has already released Rs. 69 lakhs during the current year.

(d) The R&D Centre on completion will have the following research units for design research and development activities:

(i) Design research and development for Information and Communication Technology (ICT) for masses.

(ii) Design research and development for Industrial Design in manufacturing and Product Innovation.

(iii) Design research and development for Strategic Design Management and Incubation.

(iv) Design research and development for sensitive design projects including for defence.

Exports of Ayurvedic drugs to EU

1176. SHRI EKANATH K. THAKUR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government are aware of the fact that Indian Ayurvedic formulation exporters to the European Union (EU) are facing tough times following the guidelines for traditional and herbal medicines;

(b) whether it is a fact that as per these guidelines, a newly launched ayurvedic product would have to undergo all efficacy studies like a normal drug and this will make the launch of new ayurvedic products impossible;

(c) if so, whether this would adversely affect the exports of ayurvedic products; and

(d) if so, the action Government propose to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.VK.S. ELANGOVAN): (a)to(c) Yes, Sir. The Government of India is aware of the certain directives issued by EU for traditional and herbal medicinal products.

(d) As the export of Ayurvedic, Siddhaand Unani(ASU) drugs to European Union started only 10-12 years ago, the implementation of the proposed directive is likely to have an adverse impact on the marketing of ASU products. During the year 2002-2003, the export of Ayurvedic and Unani medicines (Harmonising System (HS) Code 30039001) to EU-15 was US$ 5.38 mn, and to EU-25 it was US $ 5.99 mn.

The Department of Commerce and Department of AYUSH will take up the issue of constituting an Indo-EU bilateral working group to address the issues and the proposal is also being taken up with the India-EU Sub-Commission on trade to be held shortly.

Imports of food items

1177. SHRI EKANATH K. THAKUR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Government have relaxed rules for imports of various food items and exempted them from 100 per cent mandatory sampling with immediate effect;

(b) whether Government have categorized certain food items as 'high risk' and only those would be subjected to 100 per cent sampling test;

(c) if so, the list of high risk food items; and

(d) whether this decision has been taken for cost-cutting and would in no way create health hazards?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) to (d) Under the modified procedures for sampling of edible/food products laid down by the Government, a system of 100% sampling of consignment for high risk food items and 5 to 20% for others has been prescribed. The list of high risk food Kerns as notified *vide* Policy Circular No. 25 dated 28.1.2004 and No. 37 dated